

County of San Diego

Department of Public Works Special Districts Administration

PERMANENT ROAD DIVISION INFORMATION SHEET (FAQs)



What Are PRD Zones?

A Permanent Road Division (PRD) Zone is a special district established at the request of property owners with a common road related need in a specific area. California law allows counties to establish these districts to provide a higher level of service than is normally provided in other areas of the unincorporated portions of the County.

What Services Do These Districts Provide?

A PRD Zone may only be used for road-related services, such as road improvement and/or maintenance, and median and parkway improvement and maintenance.

What Are The Criteria For Road Improvement Or Maintenance?

- 1. The road(s) must be in the unincorporated area of the County.
- 2. The road(s) must have a name prior to PRD formation.
- 3. The minimum paved width must be 20 feet. Additional roadway width may be required for road shoulders and berms. If additional road width is needed a donation or purchase of easement from the appropriate property owner (included as a part of the proposed project) would be required. Please note: fire districts are now reviewing roads and often mandate they be paved to 24 feet to allow for equipment access. Given this potential requirement, it is advisable to check with your fire district prior to paving any
 - private road.
- 4. The road must connect to a publicly maintained road.
- 5. More than ten (10) parcels must receive benefit from the road improvements.
- 6. Upon district formation, the road is declared public and access cannot be denied.

What Costs Are Involved?

Property owners must pay all costs. These are paid by a special *benefit assessment* or *parcel charge assessment* on their tax bill. The benefit assessment is levied on all properties within the boundaries of the district. <u>Under State Law, the cost to the individual property owners is determined by the benefit the property receives as a result of the improvement or maintenance.</u>

County funds, through an interest-bearing loan, may be available to finance a portion of the initial work. Interest on the County loan is at a fixed rate that is determined by the County Treasurer at the time the district is formed and/or when County funds are made available to perform the work. Borrowing demand is high for this loan fund and there may be a waiting list for available funds. An additional financing option is now possible through a pilot bank loan program recently allowed by State Law. Property owners are required to repay the loan principal and interest (fixed rate) over a period of time, not to exceed five years.



What Are The First Steps For The Property Owners?

Property owner proponents need to complete a considerable amount of work before the district actually forms. A Citizens Committee, consisting of three to five interested property owners, must be formed and a Chairperson selected. A letter is then sent to the Department of Public Works (Attn: Special Districts, Mail Stop O346), 5555 Overland Avenue, Building 2, Suite 2256, San Diego, CA 92123-1295) stating a purpose and desire to form as well as the names,

addresses, and phone numbers of the Chairperson and Citizen Committee members.

What Preliminary Step Does The County Take?

After receiving the letter, Special Districts staff prepares and sends to the Chairperson:

- 1. A map which Committee members can review and on which they mark both the proposed work area and the recommended boundaries of the benefit area. These boundaries should encompass all properties that will benefit from the proposed service. The final boundary determination is approved by the assessment engineer as mandated by State Law.
- 2. An "Expression of Interest" form to be signed by greater than 60 percent of the owners of those properties which would benefit from the service(s) and which would be included within the district boundary.
- 3. An address list of property owners within the boundary considered by Special District's staff to benefit from the proposed service.

What Happens Next?

Upon receipt and verification of the "Expression of Interest" form and marked boundary map:

Work Program

A district formation specialist and County road engineer arrange to meet on site with the district Chairperson and committee members. Together they review the road needs and discuss the wishes of the property owners. On occasion, the magnitude of the improvement may require a more comprehensive evaluation. In such cases, a deposit to fund this additional work may be required.

A work program is then developed which describes the work (improvements) to be done, cost estimates, and a formula for sharing the costs based on the estimated benefit received by each property. This information, in spreadsheet form, is sent to the Chairperson for approval. Once approval has been received, County staff work with the Chairperson and the Committee to establish a date, time, and place for a property owners meeting.

Property Owners Meeting

Special Districts staff sends a meeting notice to each property owner in the proposed district.

At the property owners meeting, County staff explains PRD law, the proposed work program, estimated cost and benefit formula and answers any property owner questions. Property owners not attending the meeting are mailed the information.

Information Collected

If the property owners decide to proceed with formation, the Citizens Committee, at the meeting or at a later time, collect "Petition for Road Construction and Improvement" signatures of property owners representing greater than 60 percent of the affected parcels. In addition, proponents will be given forms to sign, which attest that the identified work area has been open to public use for at least five years. Once the Citizens Committee submits the required signed petitions to Special Districts, and those signatures are verified, the formation process continues.

COMPLETION OF THE ABOVE STEPS DOES NOT COMMIT EITHER THE PROPERTY OWNERS OR THE COUNTY TO THE FORMATION OF THE DISTRICT.

Do Homeowners In The Area Get To Vote On Forming A Special District?

Proposition 218 (incorporated into the State Constitution) requires voter approval of new or increased costs associated with a special district. County staff mails a parcel specific notice and ballot to each property owner in the proposed PRD Zone. These forms explain the work program and associated costs and provide a cost range of the proposed annual benefit assessment (charge). Providing a range of

charges avoids the costs and delays caused by future balloting. Typically the highest assessments that property owners are charged occur in the first few years when the bulk of the improvement costs are incurred due to loan repayment.

The "weighted majority" of ballots received determines the result of the election. Example: if one property with a weighted ballot of \$100 value approves the proposal but three properties each with weighted ballots of \$25 value disapprove it, the weighted majority of one carries the vote and the proposal wins.

How Are PRD Zones Formed?

Usually, three Board of Supervisors meetings are necessary to form a PRD Zone. Property owners may attend the Board meetings and may speak for or against the formation. After the first Board meeting, ballots are sent to property owners within the proposed PRD. At the second hearing, public testimony is received and acceptance of ballots is closed. Ballots are counted at the third and final Board meeting, and the PRD can be approved if at least 51% of the weighted ballots are in favor of formation.

What Is The Role Of The Local Agency Formation Commission (LAFCO)?

PRD law does not require that PRD formations go through LAFCO.

How Much Time Does It Take To Form The District?

A PRD Zone typically takes about 12 to 18 months to form. The time it takes to form a district is dependent on how fast the Citizens Committee returns paperwork to the County and the County's workload. Available funding, the cost of the improvement, and the timing of County contracts influences the timing of <u>actual construction</u> of the improvement. In some cases, property owners must raise the funds for costs in excess of the available loan(s). The new PRD Zone may make contributions up front or begin collecting charges on their tax bills toward construction at a later date. In order to receive the benefit of lower unit prices, County staff may try to include PRD Zone projects in other countywide contracts.

What About Continuing Maintenance?

Where continuing maintenance is a part of the program, County staff evaluates and recommends the appropriate project improvement and maintenance plans and their associated costs. The budgets are then provided to the Citizens Committee each year, usually during December, for review and comment. If the Committee requests a maintenance program different from that recommended, their suggestions will be considered whenever possible. If proposed changes can be accommodated, the cost estimate will be revised. Upon County staff advice, the Board of Supervisors makes the ultimate decision on all PRD Zone matters.

County staff takes into consideration the health and safety of the community and the costs associated with the proposed changes. County staff will not recommend or perform work that does not meet sound construction practices since it is not in the best interest of either party to have a cheap or risky solution fail.

Additional Information:

The responsibility for the administration of PRD Zones within the Department of Public Works is assigned to Special Districts Section staff. If you would like more information, please contact us at (858) 694-2198.

IMPORTANT UPDATE: The PRD Zone program is extremely popular and there is limited formation funding available to front district formation costs. Due to these factors, if a proposed district reaches formation expenditures of \$3,000 (without having reached certain milestones in the process) a deposit will be required.

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